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SUBJECT: NORWAY'S LOCAL ELECTION RESULTS: A WARNING OF

OBSTACLES TO A CONSERVATIVE GOVERNMENT IN 2009?

REF: OSLO 939

11. (SBU) Summary: As the fallout from the September local elections finally subsides, the larger issues which will shape the 2009 general election are becoming clear. The center/left governing coalition (Labor, Center and Socialist Left Parties) were given a rebuke in the local elections, particularly the Socialist Left party (see reftel for details). They need to produce results on their core issues of education, environment and integration of immigrants and reduce the internal strife with the Socialist Left if they expect to do well in the 2009 elections and continue in power. The center/right opposition (Progress, Conservative, Liberal, and Christian Democrat Parties) need to figure out how to deal with the Progress Party, s success and its sometimes crass statements as they strive to form the outlines of what could be an alternative coalition in time for the 2009 general elections. The outcome will likely have a significant impact on bilateral relations. End Summary.

The Government Responds to Poor Election Results

- 12. (SBU) On October 18 Prime Minister Jens Stoltenberg announced a major shuffle in his cabinet, appointing four new ministers and giving Erik Solheim a &Super Minister8 portfolio including the Development and Environment Ministries. One of the new Ministers appointed was Manuela Ramin-Osmundsen, Norway,s first minister of immigrant background (Caribbean/French). These Ministerial shifts were designed to answer the implicit criticism of the local elections in which voters punished the governing coalition, pointing to failure to deliver on promises on environmental protection, cuts in the higher education and research budget, and failure to provide enough day care facilities. Ministers replaced were considered ineffective and controversial. Solheim is regarded as an effective leader and carries weight with the environmental lobby. It is also important to note that the number of Ministerial positions held by the Labor Party and the Socialist Left (SV) party remained the same, despite SV,s heavy election losses. Working with SV has been difficult for Labor but they appear committed to continue the current coalition, at least until the 2009 elections.
- 13. (SBU) The appointment of Ramin-Osmundsen was the most controversial and drew the most media attention. Not only had she became a Norwegian citizen only two weeks before being appointed as Minister, her previous work in government ended with scandal. She was the head of the Norwegian Directorate of Immigration (UDI) but was forced to resign over a scandal involving asylum seekers. The Progress Party objected to her appointment because of her past problems and stated that they questioned her loyalty to Norway. In the Norwegian context, some regarded this as racist. Other

opposition parties attempted to distance themselves from the Progress Party.

How to Deal with the Progress Party

- 14. (SBU) The Ramin-Osmundsen appointment and the fight over the Oslo Mayor job highlight the central issue facing the opposition parties for the 2009 elections, namely how to deal with the Progress Party. This problem was demonstrated in grand fashion by the fight over the Mayor of Oslo job. After over a month of long and controversial negotiations, the Conservative candidate was selected to become the Mayor of Oslo. Conservative/center parties won the majority of votes in Oslo but had exceptional difficulties in agreeing on a coalition in the City Council which then appoints the Mayor. The main two conservative parties, the Progress and Conservative Parties were willing to work together but needed either the Liberal Party or the Christian Democrats to obtain the majority. Lars Sponheim, the leader of the Liberals, dramatically stated that his party would never work with the Progress Party in government, throwing a monkey wrench in the negotiations over the Mayor and igniting a national debate over the ability of the conservative parties to form an alternative to the current coalition. Although Sponheim,s statement helped boost support for the Liberals, it highlighted the core weakness of the opposition parties, namely the need to work with the sometimes distasteful (at least in some Norwegian eyes) Progress Party. The Liberals and the Christian Democrats, which could act as kingmakers after the next election, are beginning to show a willingness to work with Progress on a local level but national leaders are still reluctant to do so because of Progress, "politically incorrect" reputation.
- 15. (SBU) Progress consistently has the second largest poll figures and espouses an ideology which is stricter towards immigration, favors lower taxes, would increase security and police forces, less worried about environmental issues, and in general more conservative than other Norwegian Parties. Progress, message is resonating with a substantial number of Norwegians. Given Progress, size, any alternative government coalition must include them, thus presenting other conservative parties with the difficult choice of working with an unpalatable partner or facing a likely continuation of the current government.

Why this is important for the bilateral relationship

16. (SBU) Most of the decisive issues for the 2009 Parliamentary elections will be domestic. However the results could have a significant effect on Norway,s relations with the United States. A conservative/center coalition would be much more favorable to working constructively with the U.S. on a variety of issues. The current government, while not openly opposing U.S. policies, has pursued an independent foreign policy which at times has run counter to U.S. policies. The Progress Party is one of the most pro-American parties in Norway with many of its members drawing inspiration from Ronald Reagan. The other major party of the center-right is the Conservatives who are also generally pro-U.S. but in a more nuanced fashion. The 2009 election will be importent for the continuing development of our bilateral relationship.